

Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 03783 302031Z

71

ACTION ARA-20

INFO OCT-01 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00

EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02 OMB-01

SWF-02 FPC-01 SCI-06 DRC-01 /182 W

----- 117363

R 301616Z APR 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 3587

LIMITED OFFICIAL USE CARACAS 3783

E.O. 11652: N/A

TAGS: EMIN, VE

SUBJECT: NATIONALIZATION OF IRON INDUSTRY

REF: CARACAS 3769

AS REPORTED REFTEL, PRESIDENT PEREZ ANNOUNCED IN HIS MAY DAY ADDRESS PLANS TO NATIONALIZE IRON ORE INDUSTRY. HE DID NOT GIVE ANY DETAILS OF HIS PLANS AND NO DEFINITE INDICATION OF TIMING, ALTHOUGH HE SPOKE OF ACTION "NOW." PRESUMABLY THIS MATTER WILL HAVE TO BE STUDIED AT SOME LENGTH, AS HAS PROVED NECESSARY IN CASE OF PETROLEUM REVERSION, IN ORDER TO DETERMINE WHAT STRUCTURE IRON ORE INDUSTRY WILL HAVE FOLLOWING REVERSION AND WHAT ROLE, IF ANY, MIGHT BE LEFT TO PRESENT CONCESSIONAIRES. FOLLIWING IS FULL TEXT OF PRESIDENT PEREZ' REMARKS ON IRON ORE NATIONALIZATION:

"BUT IT (PROCESS OF PETROLEUM REVERSION) MAKES IT OF EVEN GREATER URGENCY TO DEFINE A NATIONAL STEEL POLICY.

EXCEPTIONAL CONDITIONS EXIST FOR VENEZUELA TO ASSUME INTEGRAL CONTROL OF ITS RAW MATERIALS, AS A PRIOR CONDITION TO PUTTING AN END TO EXPLOITATION OF IRON ORE WITHOUT BENEFIT TO COUNTRY. MY GOVERNMENT SHOULD HAVE EXTRA-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CARACA 03783 302031Z

ORDINARY POWER TO TAKE BACK AT THIS TIME TO THE STATE

EXPLOITATION OF MINERALS, AT THE SAME TIME IT CREATES THE
NATIONAL STEEL COUNCIL. I WISH TO SAY THAT WE WILL TAKE
BACK NOW THE CONCESSIONS THAT WOULD REVERT IN THE YEAR
2000. BECAUSE WE ARE GOING TO SELL IRON AND WE ARE GOING
TO BEGIN WITH AUDACITY PRODUCTION OF HEAVY MACHINERY."
MCCLINTOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IRON, PRESIDENT, NATIONALIZATION, MINING INDUSTRY, SPEECHES, EXPLOITATION (NATURAL RESOURCES), MAY DAY
Control Number: n/a
Copy: SINGLE
Draft Date: 30 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CARACA03783
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740103-0419
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974044/aaaaacoc.tel
Line Count: 67
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: CARACAS 3769
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 23 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 SEP 2002 by boyleja>; APPROVED <05 FEB 2003 by GolinoFR>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NATIONALIZATION OF IRON INDUSTRY
TAGS: EMIN, VE, (PEREZ, CARLOS ANDRES)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005